



FOR CLERK USE ONLY

RDA

Item No. 23

**CALEXICO COMMUNITY REDEVELOPMENT AGENCY  
OF THE CITY OF CALEXICO  
FACT SHEET**

Redevelopment Agency

Department

February 16, 2010

Requested Date

**1. Request:**

RDA Approval

☒Information Only/  
Presentation☐

Other (specify)

☐

Hearing

☐**2. Requested Action:**

Approve in concept the financing of \$18,000 per parcel or house for an amount not to exceed \$522,000 with conditions and to bring the agreement back to the Agency Board for final approval.

**3. Fiscal Impact:**

Revenue:

Increase

☐

Source:

Decrease

☐

Amount:

Cost:

Increase

☒

Source:

RDA Bond Funds

Decrease

☐

Amount:

\$522,000.00

Does Not Apply ☐**4. Reviewed By:**

Finance Dept. on

Comments:

By:

City Attorney on

Comments:

By:

*Note: Back up must be submitted along with this form. Deadline is 5:00 p.m., 2 Fridays before the scheduled meeting date.*

**CLERK USE ONLY:**

RDA DATE:

Action

☐

Filing

☐

Consent

☐

Presentation

☐

Hearing

☐

Other(specify)

☐

Reviewed by: City Clerk

Date

City Manager

Date

## **REDEVELOPMENT AGENCY AGENDA REPORT**

**SUBJECT:** Request by LHC Reposition, LLC and Eco-Master Builders for Agency financial assistance

**AGENDA DATE:** February 16, 2010

**PREPARED BY:** Rosalind Guerrero, RDA Director 

**APPROVED FOR AGENDA BY:** Victor Carrillo, City Manager

**RECOMMENDATION:** Approve in concept the financing of \$18,000 per parcel or house for an amount not to exceed \$522,000 with conditions and to bring the agreement back to the Agency Board for final approval

**FISCAL IMPACT:** \$18,000.00 per parcel; total of \$522,000.00

### **BACKGROUND INFORMATION: (Prior action/information)**

Barry Ephraim, LHC Reposition and Kenny Dickerson, Eco-Master Builders have presented to the Redevelopment Agency a proposal for affordable and environmentally sensitive single family housing. Mr. Ephraim and Mr. Dickerson are currently in the process of purchasing 29 lots located in the Las Hacienda Subdivision located at the intersection of Sam Ellis Street and River Drive. The subdivision has 10 lots with housing built and needing minor items to meet occupancy requirements and 19 improved lots pending construction of the housing. Total housing when completed will be 29 single family homes.

The 10 constructed houses each have 3 bedrooms, 2 bathrooms, and a 2 car garage. Square footage of the houses is approximately 1,250 on 6,000 sq. ft. lots. The remaining 19 lots have the infrastructure improvements up to the property line.

Redevelopment Inclusionary Housing requirements allow Redevelopment Agencies to provide financing in the form of grants and or below market rate loans to assist in reducing the cost of residential units that will be affordable to low and moderate income families. Affordability covenants of 45 years are recorded against the property as required by Agency law.

As the project is outside the redevelopment agency project area, the Agency would take credit of 50% of the total 29 homes towards the Agency's Five Year Implementation Plan

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required affordable housing units. However, under the General Plan – Housing Element the city would be able to count all 29 homes under the Regional Housing Needs Assessment (RHNA) numbers required by the city for affordability and increase the city's property tax base.

The developers have expressed a purchase price in the range of \$140,000 per completed house and \$150,000 for the environmental house to be built. By buying down the purchase price, assistance through the Agency would bring the affordability and purchase price within the range of \$122,000 for the completed houses and \$132,000 for the environmental houses. Of the 200+ applications received through the First Time Homebuyer Program, the price range of affordability has been an average of \$122,000 based on income and debt of the applicants.

The property will be eligible for low income clients whom are interested in purchasing a home and qualify through the First Time Homebuyer Program. The Agency, however, may not direct prospective homebuyers to the subdivision.

The Redevelopment Agency currently has funding available under the Agencies 20% housing set-a-side as well as Bond financing proceeds that are required to be used exclusively to assist in affordable housing programs or projects.

Conditions for receiving Agency assistance would include:

1. Require an eligible low income household purchase the home
2. 45 year affordability period
3. Funds disbursed at the time the qualified household closes the purchase through escrow.

#### **RECOMMENDATION:**

Approve in concept the financing of \$18,000 per parcel for an amount not to exceed \$522,000.

Direct staff to draft an agreement memorializing the terms of assistance and the agreement to be brought back to the Agency Board for final approval.

#### **ATTACHMENT:**

LHC Reposition and Eco-Master Builders request for assistance

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